THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) The issues of Master shares and Magnum certificates has been oversubscribed and the amount raised under these schemes is Rs. 158 crores and Rs. 144.68 crores respectively. Information regarding Canstock/Canshare is being collected and will be laid on the Table of the House.

(b) The applications received from rural and semi-urban areas for Mastershares and Magnum certificates are 59,462 and 20,500 respectively.

(c) Yes, Sir.

(d) Does not arise in view of reply to (c) above.

Funds for Telugu-Ganga Project

2767. SHRIMATI RENUKA CHOWDHURY: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the Telugu-Ganga Project is starved for funds at present;

(b) whether the Government of India have been approached by the Andhra Pradesh Government in this regard;

(c) whether recently there have been talks between Andhra Pradesh Government and the Central Government for the provision of funds to cater to the needs of Telugu-Ganga Project; and

(d) the nature of decision taken by Central Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): (a) to (d) At present, irrigation projects are funded from the State Plan resources.

Premium charged by LIC

2768. DR. BAPU KALDATE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the present premium charged by the Life Insurance Corporation is inclusive of income-tax paid by L.I.C. on surplus bonus;

(b) if so, whether the present premium's quantum of income tax is over Rs. 100/- crore per year;

(c) whether *this amount of premium* charged from policy holders who do not pay will be given benefit of the reduction of income tax quantum in their premium; and

(d) if so, by when Government propose to amend Sec. 44 (Schedule I) of the Income tax Act, 1961, Sec. 28 of the Life Insurance Corporation Act, 1961 and Sec. 13 (Schedule IV) of Insurance Act, 1938 to give effect to this reduction of premium amount?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): (a) No, Sir. The premium rates charged by LIC are based on estimates of future expected interest yield, mortality and expenses. LIC is being taxed on the surplus disclosed in its actuarial valuation and this surplus depends upon the actual experience of the LIC as against the assumptions made in the premium basis. Thus, there is no direct correlation between premium and surplus, and consequently between premium and income-tax.

(b) to (d) Do not arise.

River basin organisations

2769. SHRI B. SATYANARAYAN REDDY: Will the Minister of WATER RESOURCES be pleased to state what will be the functions of the proposed River Basin Organisations?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRIMATI KRISHNA SAHI): The National Water Policy envisages integrated planning and development of river basins by appropriate organisation required for the purpose.

Escape of a hard core terrorist from police custody in Punjab

2770. SHRI MAHENDRA PRASAD:

SHRI MURLIDHAR CHANDRAKANT BHANDARE:

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether it is a fact that one of the top terrorists, Satnam Singh Bawa, an accomplice of Harjinder Singh Jinda, escaped from police custody in Punjab on 9th January, 1988;

(b) if so, under what circumstances Bawa escaped from the police custody; and

(c) how many of the terrorists have escaped from police custody since June, 1984 and how many of them have been recaptured?

THE MINISTER OF STATE IN THE MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS AND THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. CHIDAMBARAM): (a) and (b) According to the information furnished by the Government of Punjab the accused was being escorted by a police party in a vehicle on 9th January, 1988, to a place in district Amritsar to effect the recovery of arms and ammunition as per information disclosed by him. When the vehicle reached a drain bridge near village Odar Khurd the police party was fired upon from both sides of the road. The police vehicles were ambushed and badly damaged in firing by the extremists. The accused managed to escape in a car which was parked near the drain.

(c) Seventy five terrorists escaped from custody in Punjab during the period 1st June, 1984 to 21st February, 1988. Of them 17 terrorists have been recaptured.

Constitution of Coffee Board

2771. SHRI D. B. CHANDRE GOWDA: Will the Minister of COMMERCE be pleased to state the criteria being followed in appointing the Members of the Coffee Board?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. R. DAS MUNSHI): Section 4 of the Coffee Act, 1942 and Rule 3 of the Coffee Rules, 1955 provide for the constitution of the Coffee Board and the manner of filling vacancies. The Central Govt. appoints members in accordance with these provisions. The Act and Rules do not however lay down specifically the criterion regarding appointment. The Rules however provide that the Central Govt. may make such consultations as deemed fit before appointment of certain specified categories of members. Accordingly necessary consultations are made with respect to these categories. While making appointments due care is taken to see that only such individuals are appointed members of the Board as are capable of safeguarding the interests that they represent in particular, and provide a sure and positive direction to the Board and its Committees by their contribution.

Export of manufactured products

2772. SHRI PARVATHANENI UPENDRA: Will the Minister of COMMERCE be pleased to state:

(a) whether experts have suggested that India should shift from exports of non-manufactured goods to manufactured products in order to stabilise its export earnings and